



# ENGAGE

January-February 2024 | Volume 4 | Issue 1



## HOSPITALITY THE ENGINE FOR GDP GROWTH & EMPLOYMENT

EXCLUSIVE

6th HAI HOTELIERS' CONCLAVE



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CREATIVE VISUALISATION  
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## From the President's Desk



**PUNEET CHHATWAL**  
President, Hotel Association of India  
MD & CEO, The Indian Hotels Company Limited

The recent conclave organized by the Hotel Association of India (HAI), centred around the theme "Hospitality - The Engine for GDP Growth & Employment". With approximately 250 senior delegates and esteemed speakers such as Smriti Irani, Union Cabinet Minister, Vinai Kumar Saxena, Lieutenant Governor of Delhi and Amitabh Kant, G20 Sherpa, the event fostered a crucial dialogue among policymakers and members of Tourism & Hospitality Industry.

India has exceeded expectations at 7.2% GDP growth in FY23 on the back of strong domestic demand. This was broad-based across sectors with the service sector being one of its highest contributors at 9.5%. Within the service sector, hotel and transportation clocked a second consecutive year of 14% growth. Indian economy continues to be on a strong track with an estimated GDP growth of 7%+ in FY24. Hospitality is proving to be a key pillar in India's economic journey. Domestic tourism has been on the rise, with the spotlight on many redeveloped sites like the recent Ram temple in Ayodhya, Kashi, among others, and improved road, rail and air connectivity. International arrivals has seen a recovery and is expected to reach pre-Covid levels of 10 million plus in 2024.

Amid these growing opportunities, the HAI conclave served as a beacon of hope, fostering collaboration and innovation within the industry. Recognizing its pivotal role in driving economic growth and employment opportunities, stakeholders reaffirmed their commitment to propel the sector forward.

As the industry adapts to evolving consumer preferences, concerted efforts are important to unlock India's tourism potential. By harnessing the collective wisdom and expertise shared at forums like the HAI conclave, the hospitality sector can chart a path toward resilience, sustainability, and prosperity for all.



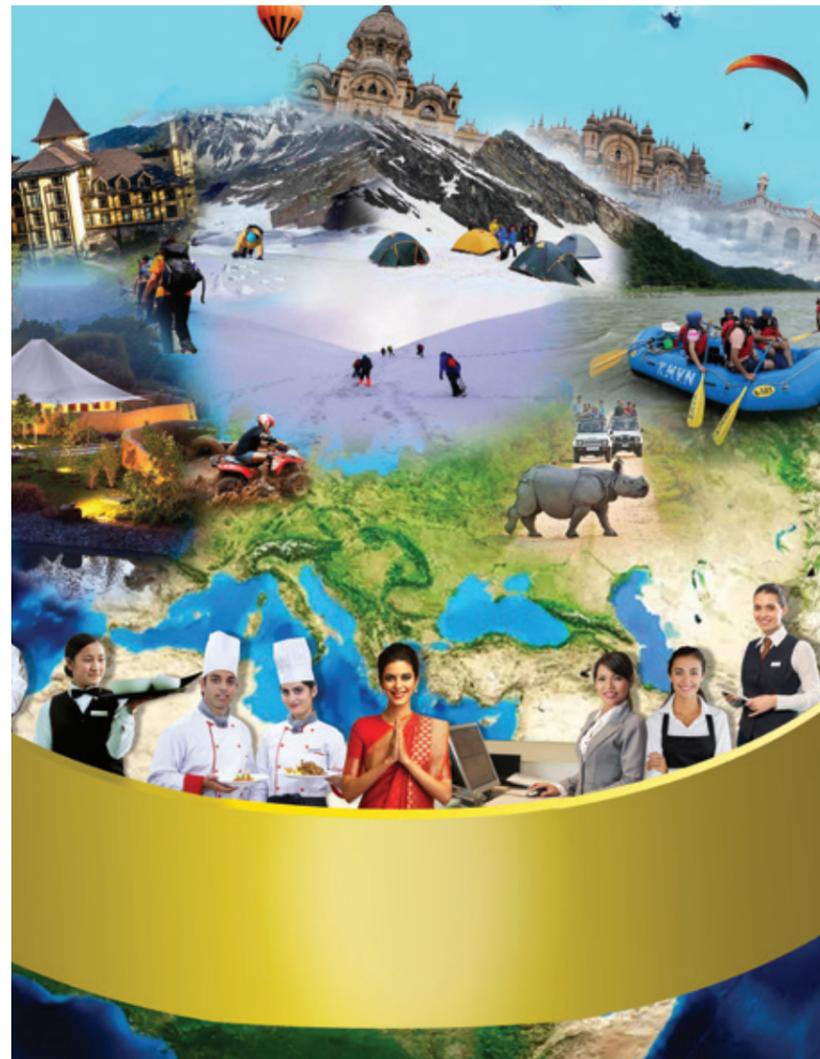
The subsequent editions of HAI Engage will carry communication from the newly appointed President, Mr K.B. Kachru. The Association is grateful to Mr Puneet Chhatwal for his invaluable contributions and guidance in steering the growth witnessed by HAI.

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JANUARY - FEBRUARY 2024



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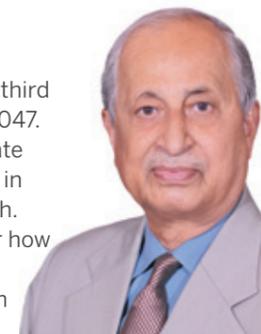


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India's economic growth is projected to be robust with expectation of becoming the third largest GDP in the world by 2047. Rise in income levels will create huge boom in tourism, which in turn will drive inclusive growth. But whether that happens, or how that happens, will depend on how tourism is nurtured as an engine of growth.



## HOTEL ASSOCIATION OF INDIA

Copyright@Hotel Association of India, New Delhi  
Volume 4, Issue 1, January - February 2024  
Edited, Printed and Published by  
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PRINTED AT  
Thomson Press (India) Limited  
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## KB Kachru elected as HAI President for a 2-year term

### IHCL's Rohit Khosla to take charge as Vice-President

The Hotel Association of India (HAI) elected Mr K.B. Kachru, Chairman, South Asia, Radisson Hotel Group, as President for a two-year term at the Association's Executive Committee (EC) meeting held after HAI's Annual General Meeting (AGM).

Mr Kachru takes charge from outgoing President, Mr Puneet Chhatwal, Managing Director & Chief Executive Officer, IHCL. The EC also elected Mr Rohit Khosla, Executive Vice-President, Operations, IHCL, as Vice-President of the Association for a concurrent term.

The committee unanimously elected Dr J.K. Mohanty, Managing Director, Swosti Premium, as Honorary Secretary and Mr Sanjay Sethi, Managing Director & CEO, Chalet Hotels,

as Honorary Treasurer of the Association for a two-year term.

Welcoming the new members and congratulating the team, HAI Secretary-General, Mr M.P. Bezbaruah thanked the outgoing committee members while adding that the relationship with them is enduring and continuous.

Thanking the outgoing president, Mr Chhatwal for laying a strong foundation for the industry body and creating a unified voice for the sector as it faced its worst crisis in recent times, Mr Kachru, said: "During Covid-19 HAI collaborated with other Industry bodies, followed an aggressive advocacy plan that included launching a magazine, a newsletter and engaged actively with the media for a wider outreach. Over the last two years, HAI has achieved new heights under the stellar leadership of Mr Chhatwal."

Mr Khosla said: "As we embark on a new journey under the leadership of Mr Kachru, we look forward to taking the legacy of Mr Chhatwal forward and contributing further to take the Association to the next level and create newer benchmarks for HAI. The industry has great hopes for HAI to be the driving force in achieving its goals. I am sure the new management team under Mr Kachru will make all strides in ensuring the industry gets its due recognition."

Two new members elected to the Executive Committee Mr Shashank Bhagat, Managing Partner, Radisson Blu Marina Hotel New Delhi, and Ms Sonali Chauhan, General Manager, IHCL Seleqtions, replaced Mr Surinder Singh, Area Director, Haryana & Dwarka and General Manager, Taj City Centre Gurugram, and Mr Samir MC, Managing Director, Fortune Hotels, on completion of their respective terms.

While Mr Bhagat is the nominee for HAI's member hotels in the category of 4-star and 3-star hotels, the hotels classified in the ministry's classification categories of Heritage 1 and 2-star would be represented by Ms Chauhan.

The new committee takes charge from 18 March.



## EXECUTIVE COMMITTEE



**Mr. K.B. Kachru**  
President  
Hotel Association of India  
Chairman - South Asia  
Radisson Hotel Group



**Mr. Puneet Chhatwal**  
Corporate Member  
(Immediate Past President)  
Hotel Association of India  
Managing Director & CEO  
The Indian Hotels  
Company Limited



**Mr. Rohit Khosla**  
Vice President  
Hotel Association of India  
Executive Vice President  
(Operations),  
The Indian Hotels  
Company Limited



**Mr. Vikram Oberoi**  
Corporate Member  
Hotel Association of India  
Managing Director & CEO  
EIH Limited



**Ms. Priya Paul**  
Corporate Member  
Hotel Association of India  
Chairperson  
Apeejay Surrendra Park  
Hotels Limited



**Dr. Jyotsna Suri**  
Corporate Member  
Hotel Association of India  
Chairperson & MD  
Bharat Hotels Limited



**Mr. Patu Keswani**  
Corporate Member  
Hotel Association of India  
Chairman and MD  
Lemon Tree Hotels Limited



**Mr. Anil Chadha**  
Corporate Member  
Hotel Association of India  
Divisional Chief Executive -  
Hotels, ITC Limited



**Mr. Sanjay Sethi**  
Fellow Member &  
Hony. Treasurer  
Hotel Association of India  
Managing Director & CEO  
Chalet Hotels Limited



**Mr. Ajay K. Bakaya**  
Fellow Member  
Hotel Association of India  
Managing Director  
Sarovar Hotels Pvt. Ltd.



**Mr. J.K. Mohanty**  
Member & Hony. Secretary  
Hotel Association of India  
Managing Director  
Swosti Premium Limited



**Mr. R. Shankar**  
Member  
Hotel Association of India  
President - Corporate &  
Legal Affairs, EIH Limited



**Mr. Rupak Gupta**  
Member  
Hotel Association of India  
Managing Director  
U.P. Hotels Limited



**Mr. Shashank Bhagat**  
Member  
Hotel Association of India  
Managing Partner  
Radisson Blu Marina Hotel  
New Delhi



**Ms. Sonali Chauhan**  
Member  
Hotel Association of India  
General Manager  
IHCL Seleqtions



**Mr. M.P. Bezbaruah**  
Member (Ex-officio)  
Secretary General  
Hotel Association of India

## Park Hotels reports expansion milestones



Priya Paul, Chairperson of Apeejay Surrendra Park Hotels (ASPHL), a leading player in the hospitality sector known for its upscale properties and diverse F&B offerings, unveiled the company's financial performance for the quarter and nine months ending 31 December 2023.

During the nine months of FY24, ASPHL inaugurated five new hotels, expanding its total footprint to 30

hotels. Commenting on the performance, Paul stated: "We are delighted to present our maiden earnings announcement post our remarkable listing. We extend a warm welcome to all our public shareholders and remain steadfast in our commitment to the continued growth and advancement of our business, creating value for all stakeholders." ASPHL achieved a successful

listing on both the NSE and BSE, with an overwhelming subscription of approximately 60 times. The IPO garnered significant interest across all investor categories, raising Rs 920 crore. The company issued fresh shares worth Rs 600 crore and offered shares worth Rs 320 crore for sale. With the IPO proceeds, ASPHL repaid Rs 550 crore in long-term debt, resulting in a net cash positive position.

## Green commitment

A joint effort spearheaded by **AKPMG, PHD Chambers of Commerce & Industry, Hotel Association of India (HAI)**, and the **Federation of Hotel and Restaurant Associations of India (FHRAI)** is putting sustainability into the limelight with their latest report titled, "Sustainability in Tourism: Reimagining India's Sustainable Tourism Evolution." India's rich tapestry of culture and landscapes has long been a magnet for global tourists. However, the exponential growth in tourism has

taken its toll on the environment. The influx of visitors has inadvertently inflicted damage, leading to soil erosion, heightened pollution levels, and increased waste generation. Moreover, the carbon emissions from international flights and habitat destruction further exacerbate the ecological strain. By promoting eco-friendly initiatives and fostering a culture of environmental responsibility, the industry aims to safeguard India's natural heritage while ensuring the continued growth and prosperity of all.



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● In The News

## Bhutan's PM encourages Indian industry to explore tourism opportunities

Bhutanese Prime Minister Tshering Tobgay emphasized the deep-rooted ties between Bhutan and India, urging Indian businesses to explore opportunities in Bhutan's thriving tourism sector. Speaking at the 'India-Bhutan Tourism: Expanding Horizons' dialogue organized by FICCI in New Delhi, Tobgay during his five day visit to India extended a warm



invitation to Indian industry leaders to invest in Bhutan's tourism sector. Expressing his desire to strengthen bilateral relations, Tobgay highlighted Bhutan's commitment to fostering a welcoming environment for Indian tourists. He emphasized the ease of

travel for Indians in his country, with a simple permit. Tobgay encouraged investors to set up hotels, restaurants, and wellness centres in Bhutan, underscoring the immense potential for growth in the travel and tourism sector. As Bhutan's immediate neighbour, Tobgay reiterated his country's eagerness to host Indian tourists, emphasizing Bhutan's tourism policy aimed at enhancing happiness and well-being for visitors. He expressed hopes of welcoming 150,000 Indian tourists in the coming years, further strengthening the bond between the two nations.

## IHCL aims to skill 1 lakh by 2030



Indian Hotels Company Ltd (IHCL), is set to bolster its skill training efforts with plans to establish 50 training centres nationwide by next year. IHCL in collaboration with Tata Group's TCS aims to accelerate online training initiatives, aligning with its goal of skilling 1 lakh individuals by 2030. Recognizing skill development as a key focus area within its environmental, social, and corporate governance initiative Paathya, IHCL is prioritizing rural regions for its training programs. With a commitment to gender inclusivity, the company anticipates that over 25% of the skilled workforce by 2030 will be women. IHCL's initiative aims to address the growing demand for skilled professionals in the hospitality sector, which has experienced significant growth post-pandemic. By expanding its skill training network, IHCL seeks to contribute to bridging the demand-supply gap and fostering sustainable growth within the industry.

## Survey reveals evolving focus on tourism sector

The 7th edition of India State Ranking Survey on tourism, conducted by **Hotelivate** in collaboration with the **World Travel and Tourism Council, India Initiative (WTTCII)**, sheds light on significant shifts in the allocation and focus on the tourism sector across Indian states over the past five years. Notably, between the 2019 survey and the latest edition, overall state expenditure on tourism has surged by 25%. The report highlights a remarkable uptick in capital expenditure on tourism, witnessing a staggering 120% increase, alongside a 14% rise in revenue expenditure during the same period. State

expenditure on tourism now ranges between 2.36% and 0.01% of total expenditure, signifying a notable increase in the upper limit since 2018/19. Comprehensive rankings were derived based on key parameters, including tourist visits, state expenditure on tourism, green cover, presence of branded hotel rooms, GSDP per capita, aircraft movement, road/rail connectivity, urbanization, ease of doing business, and cleanliness. These parameters collectively gauge the overall performance of states in the tourism sector, reflecting the evolving landscape of the industry.

## FHRAI signs MoU with Sustainable Hospitality Alliance

The Federation of Hotel and Restaurant Associations of India (FHRAI) has entered into a Memorandum of Understanding (MoU) with the Sustainable Hospitality Alliance. This collaboration marks a leap forward for India's hospitality sector as it progresses towards positively impacting destinations. It signifies a milestone in the

industry's journey towards contributing more to the destinations it serves than it consumes.

The MoU signifies a shared dedication to explore collaborative opportunities and synergies to have a lasting positive impact on our planet and its people.

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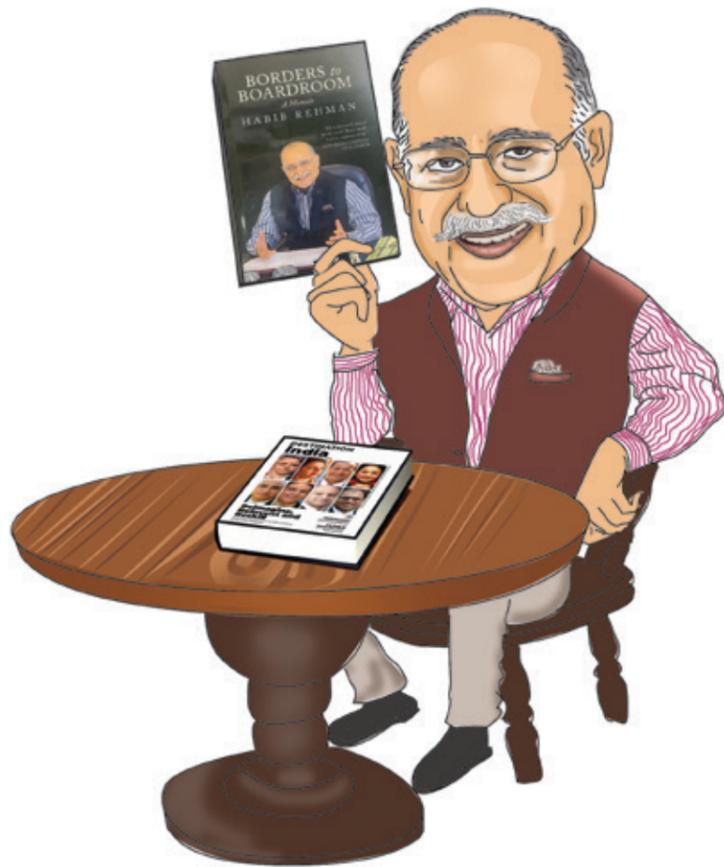
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# Chatterati



## MAJOR SSH REHMAN: FROM SOLDIER TO HOSPITALITY MAESTRO

**H**abib Rehman's life story reads like a tale of destiny's twists and turns. From his days as a gentleman cadet to a close brush with managing an ice cream factory, Rehman's path led him to become a pioneering figure in the hotel industry. After seeking retirement from the Indian Army at the age of 31 due to a cardiovascular ailment he contracted during high-altitude postings, Rehman found a new calling in hospitality.

Joining ITC Hotels in 1979, Rehman's impact was nothing short of historic. As the founding president of HAI and a driving force behind ITC Hotels' transformation into a global powerhouse with over 100 properties in 70 destinations, Rehman's leadership reshaped the industry. His passion for food and architecture, rooted in his Hyderabadi heritage, saw him design iconic hotels and restaurants across ITC properties nationwide.

Despite rubbing shoulders with the who's who of the world, Rehman remains grounded, a lesson instilled during his time in the army. His dual experience in the military and hospitality worlds provided him with a unique perspective on management, blending discipline with warmth.

An accomplished author with three books to his credit including a memoir and culinary exploration, Rehman's contributions extend beyond the boardroom. As a founding figure of HAI, he has offered invaluable insights into the hotel industry's challenges and opportunities.

Caricatures by Anthony Lawrence

## 42 UNESCO World Heritage Sites in India

Santiniketan, established by Nobel laureate Rabindranath Tagore, became the 41st site to be declared a World Heritage Site in India in September 2023.

The UNESCO also included the Sacred Ensembles of the Hoysalas in Karnataka in the list. This takes the total number of UNESCO World Heritage sites in India to 42.

## SANJAY SETHI: HOSPITALITY VISIONARY AND FOOD ADVENTURIST

**S**anjay Sethi commands the helm as Managing Director and CEO of Chalet Hotels Ltd, overseeing a prestigious portfolio spanning Mumbai, Pune, Hyderabad, Bengaluru, Lonavala, Delhi and NCR. With over 3,000 hotel keys under his stewardship, Sethi is driving rapid expansion through new projects in both the hospitality and real estate sectors.

Renowned as a visionary in the hospitality arena, Sethi actively shapes industry discourse as a speaker and member of esteemed organizations. He holds executive positions in prominent bodies such as the Hotel Association of India (HAI), and National Tourism Committee of CII, among others.

Beyond the boardroom, Sethi treasures family moments, often spending time at their Goa residence. A self-proclaimed food adventurer, he savors exploring local culinary delights, balancing his demanding schedule with occasional gourmet indulgences. Despite a hectic work life, Sethi remains a fervent supporter of the Indian cricket team and Mumbai Indians.



## PATU KESWANI: CANINE LOVE

**P**atanjali (Patu) G. Keswani, Chairman and Managing Director of Lemon Tree Hotels, and a pioneer in the mid-market hotel sector in India, is an alumnus of the renowned institutes IIT Delhi and IIM Calcutta. Patu recalls his college days fondly as a time spent learning, reading voraciously, expanding his horizons and pursuing hobbies and passions including, bridge, snooker, pool and motor bike racing.

No story about Patu would be complete without talking about his special love for dogs, which straddles the adorable side of their personality with the wicked, playful one – akin to a human being. Over the years, he has lived up his home with dogs and has built a thread into the Lemon Tree brand too – every hotel adopts a stray dog, who has a designation and plays an integral role in the hotel's operations.

# “Together we shall incorporate people, planet and prosperity for all”

At the recently held HAI Conclave in New Delhi, **Puneet Chhatwal**, Managing Director and CEO, The Indian Hotels Company Limited said that the grant of the infrastructure status would be in sync with the government’s effort in infrastructure investment. Excerpts from his speech:



**The theme of our conclave –** “Hospitality, the Engine of GDP Growth and Employment” is reflective of our times. When we last met, the atmosphere was that of expectation and uncertainties. We meet this year with the satisfaction of a year behind us in which the industry showed remarkable resilience to the path of unprecedented growth.

This is an opportunity to analyse the challenges and deliberate on how to align ourselves not only to stay relevant but how to stay fit in a fast-changing world and position our sector in the rightful place where it belongs. In many ways, we have succeeded. There is also a lot that needs to be done. The last 18 months have demonstrated that Hospitality is in the Amrit Kaal period of high growth.

Tourism, as a key pillar of development, creates about 10% of total employment in the country, contributes 8% to GDP, and has a huge multiplier effect on the economy, that fosters inclusive growth. All these points are well known but need reiterating.

I had earlier advocated that the unlocking of India’s immense tourism potential requires a strategy that addresses the six key pillars - planning, place, people, policy, process, and promotion. Though hope is not a strategy, recent developments give much hope.

The Prime Minister has often referred to tourism and hospitality as an important pillar of development. It is hence critical that a collaborative approach is taken so that we can develop in mission mode with focus on convergence, PPP, creativity, innovation, digitization, and destination development. The Ministry of Tourism has also shared the vision of 100 million tourist arrivals by 2047. This goal is to be seen in conjunction with the booming domestic tourism that helped us

sustain during our worst crisis in recent times, the Covid-19 pandemic.

There are three priority issues I would like to point out. **First** is for the hospitality sector to be granted full infrastructure status. This would be in sync with the government’s effort in investment in infrastructure. The projected national tourism growth, both domestic and foreign, will require huge, coordinated developments in infrastructure, particularly accommodation. A recent report says that a record 14,000 rooms were added in 2023. This year, another 23,000 rooms will be added. While these are welcome developments, they will not be able to bridge the demand-supply gap.

## **A collaborative approach must be taken so that we can develop in mission mode with focus on convergence, PPP, creativity, innovation, digitization, and destination development**

Supply is not increasing at the same rate as demand. The infrastructure status for the sector can push greater investments to create accommodation, and also in the process, boost income and employment generation.

**Second** is the positioning of the destinations. Destination development is primarily the responsibility of the states. The travel and tourism industry can fill up many of the components of destination development if, again, the benefits allowed to the industry are also extended to them. HAI has been in touch with the states to highlight the benefits of such a policy and is extremely happy that some states have taken policy decisions. We shall continue to pursue the larger interests of tourism and hope that

more states will follow and that the implementation of the policy will be meaningful

**Third**, a stronger drive on international tourist arrivals is needed. The rate of increase in foreign arrivals in India has been sluggish. The G20 meetings created the groundwork for showcasing India as a popular global tourist destination and this momentum must be carried forward through aggressive marketing.

Our introspection will not be complete unless we discuss the challenges we face and the opportunities we can seize. The greatest challenge is sustainability. We feel proud to say that HAI members have always shown the way in recycling water, electricity conservation, sewage and waste management, reduction in use of plastic, and so on. However sustainability is not a static concept. We must enhance our efforts through resource management and synthesize with the principles of what is now called the circular economy.

The other inescapable challenge is technology, which has revolutionized the industry. Technology offers immense opportunities for efficiency in operations, reduction in costs, and strong personalized service. Simultaneously data privacy and data breach are events that all organisations must safeguard against through investment and deployment in necessary systems and processes.

India’s travel and tourism sector is the key axis of development in the coming years. The sector is a force multiplier enabling employment generation, infrastructure development, social inclusion, and building reputation capital globally. The Indian hospitality sector is at the crosscurrents of economic growth, domestic demand, and evolving consumer dynamics and is charting a course towards unprecedented heights. **HAI**

# GROWTH & RESURGENCE

HAI Conclave brings industry leaders together

The spotlight shone on the Indian hospitality industry during the Hotel Association of India's (HAI) sixth edition of the signature HAI Hoteliers' Conclave themed "Hospitality-The Engine for GDP Growth & Employment", at the

Taj Palace New Delhi, on 12 February. The event facilitated a rare dialogue with influencers in tourism, culture, and urban development, providing a platform for the senior leadership of India's Hotel sector to share insights. Attended by around 200 senior delegates from the industry, the discussions underscored the pivotal role of infrastructure in revitalizing travel and tourism in the country. Key sessions featured interactions with luminaries like Smriti Irani, Minister of Women and Child Development, Government of India, who emphasized the industry's impact on growth. Delhi's Lieutenant Governor, Vinai Kumar Saxena, highlighted the government's strides in infrastructure development. Amitabh Kant, India's G20 Sherpa and former CEO of NITI Aayog, spoke about the industry's role as a significant job creator across various price points and qualification levels.

Puneet Chhatwal, MD & CEO, The Indian Hotels Company Limited, emphasized the need for infrastructure status. This measure, he asserted, would propel the construction of new hotel rooms, bridging the gap between demand and supply.

We present excerpts of speeches of the key leaders and highlight quotes of leading participants.

**Team HAI Engage**



**Smriti Irani**

**“Hotels have reimagined themselves”**

*Union Minister Smriti Irani talks about the opportunities in the sector. Excerpts from a panel discussion at the Conclave.*



also Wed in India, and that's another new chapter with regards to the hotel business. So, there has been, I think from many points of view, new opportunities, from spiritual tourism, from the weddings business, and the whole buzz that surrounds our festivals and how families would like to come together.

There is also another opportunity that emerges from the Global Compatibility Centres (GCCs). We have 1.6 million Indians who are now a part of GCCs in India, servicing global corporate needs. And most of them are coming to tier 2-3 cities because of 'Udaan', which means the international high paying population in the corporate sector is coming to do business in India.

I also think that hotels have reimagined themselves. It is not only about how many rooms can be hired for people to stay. Now they are also becoming

attractive place for families. There are niche services like spas, beauty salons, places to dine in or celebrate a wedding. So hotels have become social, thriving places. In my constituency Amethi, five years ago, there was no hotel. Now we have two hotels there, though small.

Women have the feel for details. So that is why I see a lot of women now getting absorbed. In the hotel business, age is no bar, and you can functionally contribute to anything you want, the front office, or the administrative side.

As far as what can be done under the infrastructure norms, I can only say that as long as things make fiscal and judicial sense, you will have my support.

**T**here is a huge focus and impetus the Hon'ble Prime Minister is giving, not only to tourism, but infrastructure around tourism. The recent budget announced Rs 11

lakh crore infrastructural spending. The opportunities from the footfalls at spiritual tourist sites, like Ayodhya and Kashi, are immense.

What is the surety that international investors look at? They look at the continuation of policy and policy makers. Now you are assured of five years more of Narendra Modi's service to the country as the Pradhan Sevak. And that is a surety and guarantee the investors look at.

If this is the kind of policy making, which is progressive, continuous, which listens to people with regards to everyday challenges, everybody knows there is somebody at the helm of affairs who will respond respectfully and within a timeframe.

Prime Minister Modi says not only Make in India, but

*Women have the feel for details. So that is why I see a lot of women now getting absorbed. In the hotel business, age is no bar, and you can functionally contribute to anything you want.*

**Amitabh Kant**

**“For every job in the tourism sector, seven indirect jobs are created”**

*India's G20 Sherpa and former CEO of NITI Aayog Amitabh Kant says hospitality players should tell politicians about 25 mn job creation while seeking their help for the demand of industry status.*



ed? Tourism has a huge multiplier impact, and for every job that you create, seven indirect jobs are created. But I think somehow the industry has failed to tell the politicians about this big job creation potential. The sector can have a target of telling the political system that if you give attention to tourism, we will create 25 million jobs by 2030. That will have a huge impact on the reigning political dispensation, and they will do everything possible for the sector.

When I was in the tourism sector, we had a huge challenge of not having clean sheets and clean bathrooms in Tier 2-Tier 3 cities. But I think India has been through

a huge radical transformation in the last eight-nine years, and we are now the fifth largest economy in the world, and all that has changed now.

By 2027-end, we will be the third largest economy in the world.

We are heading to be a \$10 trillion economy by 2030, and by 2047, by the time we become hundred years' old as an Independent country, maybe a \$35 trillion economy.

If you look at the last 8-10 years, there are

**T**he Prime Minister emphasizes the importance and significance of tourism and how

tourism can be the biggest driver of growth. Even the recent budget mentioned tourism, because I think everybody in the government really believes that tourism can be a big growth propeller. However, India's share of global tourism is less than 2 %, and that needs to be very substantially increased.

The politician understands one thing, and that is how many jobs has the sector creat-

*My belief strongly is that it's an important industry because it's a very major job creator. And pushing it as an industry will help both the state and the centre-level.*

some remarkable things that have happened in this country. We made close to about 40 million houses in India. It is like making a house for every single person in Australia! We provided 110 million toilets and that's like providing a toilet to every-one living in Germany. And we provided piped water connections to our rural households, which is like providing a pipe water connection to every single citizen of Brazil. That's the scale of what India has done. And all that along with building around 78,000 kilometers of road, that's provided accessibility to all. Tier 2-3 cities have better accessibility now. Now you have clean bathrooms, a huge focus on Swachh Bharat, road connectivity, airport connectivity, and that's a lot of work done.

The multiplier impact of what has been done in India in terms of infrastructure creation will be enormous in the years to come. Another thing is the impact of G20. G20 participants have all gone back as brand ambassadors of India, because G20 was not organised in one- two cities, but spread out over close to 220 odd meetings in over 60 cities of India.

Enhancing the quality of tourism infrastructure and creating experiences in states is very important. But if you look at India as a whole, you'll never be able to make an impact. We need to pick five states or union territories, where we can work for the next two-three years, make them world-class destinations, and the states can carry this narrative to get more tourism.

India has lagged in the MICE market. Industry players should capitalize on the world-class convention and expo centres

such as Yashobhoomi and Bharat Mandapam. India's share in MICE is less than 1%. Now we have the best convention centres in the world, and we can capitalize on this.

Also, there is a need for all of you to lobby and position for Indian airports to become global hubs. There is a need for a very lively, vibrant, dynamic and a highly digital version of the Incredible India campaign and that should penetrate every single market. And this is critical because foreign tourists are important for India.

The last point, why is it necessary to make tourism an industry? It is needed because when you treat a sector as a commercial sector, the power tariffs are much higher than the industry tariffs, and the interest rates are higher, and so it is necessary that tourism is treated as an industry. My belief strongly is that it's an important industry because it's a very major job creator. And pushing it as an industry will help both the state and the centre-level.

I'm a very clear believer that the multi-dimensional impact of tourism is like no other. The Prime Minister is a great believer in tourism too. He believes that this is a sector which has a huge impact on jobs.

More than anything else, India needs to grow and expand at a rate of about 25% plus year after year for the next decade or so in the tourism sector. And this, to my mind, is very doable considering the very small share that we have in the global tourism market. And if we do this for the next decade or so, we truly transform the lives of citizens of India, and provide vast segments of jobs in India.

## Vinai Kumar Saxena

# Delhi is yet to realise its full potential

*Delhi's LG has been at the forefront of spreading the good cheer around tourism, leading the centre's efforts in making the national capital a global hub. Excerpts from his keynote address:*

**D**elhi is the capital of India. It is also home to a glorious heritage. It is supported by excellent connectivity. As such, it can be one of the major hubs of growth for the hospitality sector.

The sector has grown remarkably in Delhi. However Delhi is yet to realize its full potential. When compared to other global destinations, Delhi lags in some aspects of the hospitality sector, its associated parameters like night dining, open air eateries, and a vibrant night economy are still largely missing. There have been various legacy issues like licensing and regulation. Because of these, enabling support systems have remained very restrictive and discouraging. However, it has been my endeavour to address the issues with an open mind and sort them out. I'm happy to share that we have taken many decisions to encourage and promote ease of doing business in the national capital. During the last one-and-a-half years, we gave permissions to hundreds of establishments to operate on 24/7 basis. The documents required for grant of such clearances has been reduced to 28 from a staggering 103 earlier. Online faceless police clearances certificate has replaced physical police verification, licenses are now being granted for three years by MCD, Delhi Police and Delhi Fire Service; earlier these were issued only for a year. Now the restaurants and bar in five-



*I would request you to come forward and partner with the government in all our efforts of enabling you. You can do this by playing your own role responsibly with regards to garbage disposal, disbursement of unused food to the needy, minimising of single-use plastic, and use of green energy.*

star hotels are allowed to operate 24/7 basis, while three-star hotels can operate up to 2 am. This is a big step, in order to cater to the international tourist arriving in Delhi, checking into hotels mostly during the night hours. All other similar establishments are allowed to operate till 1 am, which used to be only 11 pm early.

Efforts were undertaken during the last one-and-a-half years to develop new destinations for residents of Delhi and tourists. Attempts at preserving and restoring heritage to make them more attractive have been undertaken by the DDA. Massive efforts have been made to change the city's road scape by way of aesthetic upgradation. More than 150 fountains and over 100 sculptures are now finding place of pride along the roads. All these are

aimed at making Delhi more tourist-friendly. I'm sure that these will go a long way in aiding the hospitality sector. The change is visible right from the time one enters the city from the IGI airport.

Cleanliness of the city has been accorded a high priority, and I'm sure all of you would have seen a noticeable improvement in the surroundings of your hotels. We are determined to change the aesthetics of Delhi. Lush green open public spaces with musical fountains, water bodies, and cafes have come up at newly developed theme parks on the west and east banks of Yamuna. These land spaces have been reclaimed from encroachment and waste. These newly made assets are attracting thousand of visitors daily.

The Bharat Mandapam and the Yashobhoomi at Dwarka have come up as world-class convention centers. These venues have the capacity to organize national and international conferences and exhibitions and hence have the potential to attract huge footfalls in Delhi from abroad.

The historic St James Church in Old Delhi and Har-

dayal Library have been recently restored to their deserving glory. Even as a state enables you and your business, there lies upon you a corresponding responsibility towards society. I would request you to proactively come forward and partner with the government in all our efforts of enabling you. You can do this by playing your own role responsibly with regards to garbage disposal, disbursement of unused food to the needy, environment protection, value of water conservation, elimination of single-use plastic, use of green energy, and so on.

I would also invite HAI to come forward and partner with us to establish hospitality skilling centres for which we can provide infrastructure. I would urge all hotels to adopt one road each and take responsibility for its greenery and beautification. Indian hotels have established strong traditions of world class hospitality, which draws upon the tradition of 'Atithi Devo Bhava'. I wish you all the best and hope that you will always put your best foot forward with maximum innovation, for success of Indian hospitality, travel and tourism. Your efforts in strengthening the hospitality sector will play a key role in employment generation and nation-building.



**Manisha Saxena**  
DG, Ministry of Tourism, GoI

There are some states which just don't have any laws pertaining to generation of solar energy. There are solar service providers, some states have a cap on it, some don't. There are specific instances pertaining to state governments, I would be happy to sit together and resolve them.

- There has been a proposal for a Buddhist visa so that people who come to India can also travel to other places where Buddhist sites are there. This is something we really need to consider. Though there's the security aspect to consider too, while granting free visas.
- We could have art events, literature events. People in these sectors are looking for newer places to visit, and these are the events we should be pitching for, however big or small, and take them to all the beautiful locales of our northeast India, coastal areas, to the islands, the niche crowd and the high-end spending tourists would be there.
- My ask from the hospitality sector would be to have capacity building for all kinds of hotels so that the staff there knows exactly what is the definition of a clean bed and a clean toilet and the luxury hotel should actually help the budget segment to arrive at that benchmark of quality.

VIEW FROM THE TOP

**Puneet Chhatwal**

Managing Director & CEO, The Indian Hotels Company Limited

- International tourists: A stronger drive on international tourist arrivals is needed. We are very much behind the pre-Covid levels in that. The G-20 momentum must be carried forward, by aggressive marketing and the recent slash in marketing budgets is not in sync with the strategy of attracting more people.
- Infrastructure status: The hospitality sector should be granted full infrastructure status at the centre-level. This would be in sync with the government's effort in investment in infrastructure.
- Destination development: Destination development is primarily the responsibility of the states. The travel and tourism industry can fill up many of the components of destination development if, again, the benefits allowed to the industry are also extended to them. HAI has been in touch with the states to highlight the benefits of such a policy and is extremely happy that some states have taken policy decisions.



**“We all have to work together to achieve success”**

KB Kachru, Chairman, South Asia, Radisson Hotel Group says as an industry we have to come together and communicate what's really good for the country, and for our sector.



The government's continued thrust on infrastructure development and last-mile connectivity have resulted in an unprecedented growth in domestic tourism.

Our focus to project hospitality as an engine of growth and employment will substantially serve our purpose. The industry demonstrated extreme resilience during a period of crisis for all. The last conclave was held in September '22 when we had just come out of the shadows of the Covid-19 crisis.

Now we are all looking forward to a great year ahead, the enthusiasm is high. The economy is poised to grow at a steady rate, and that sets the direction for travel, tourism and hospitality, which is bound to grow proportionately.

The government's continued thrust on infrastructure development and last-mile connectivity have resulted in an unprecedented growth in domestic tourism.

Promotions like 'Dekho Apna Desh', 'India says, I do' will help. I am a great believer of this in my own company, where we have the campaign 'Yes, I can'. We cannot work in a fragmented manner. We have to work together to achieve ultimate success.

I think as an industry we have to come together and communicate what's really good for the country. If we focus on what we contribute to our economy and how many jobs we provide,

we will win. In the last two years, hirings have increased by 271%. That's never happened before!

We hope our deliberations continue to harness the potential of our industry and create more awareness on how we can contribute to the economy. On behalf of the industry, let's pledge to build a brighter future for hospitality, fostering innovation, inclusivity, and sustainability.

## “HAI conclave is a landmark in the continuous journey of introspection”

*HAI Secretary General MP Bezbaruah said that the industry's contribution to the growth of the economy should help it shed its elitist tag.*

**W**hen we met last, there still had been some amount of uncertainties, but all of you had shown a lot of optimism. The heart is despondent, but not without hope. Long are the sorrow's evenings, but it is an evening after all! Today, as we meet, we have crossed that evening of sorrow and are looking with confidence and resolve at the promise of a Morning Sun. We'd like to compliment, each one of you for making it possible.

HAI conclave is not a one-off event, it's a landmark in the continuous journey of introspection of togetherness.

We hope that the Hon'ble Prime Minister's recognition of tourism as a pillar of development and the finance minister's policy announcement to make that happen in mission mode will be quickly given a concrete shape and tourism and hospitality will get its due in the economic planning of the country.

We expect the government's clear strategy to



**Our wish list is very short and clear. Infrastructure and industry status are totally logical, eminently justified and essential for meeting the goal of 100 million FTAs and \$1 trillion tourism economy.**

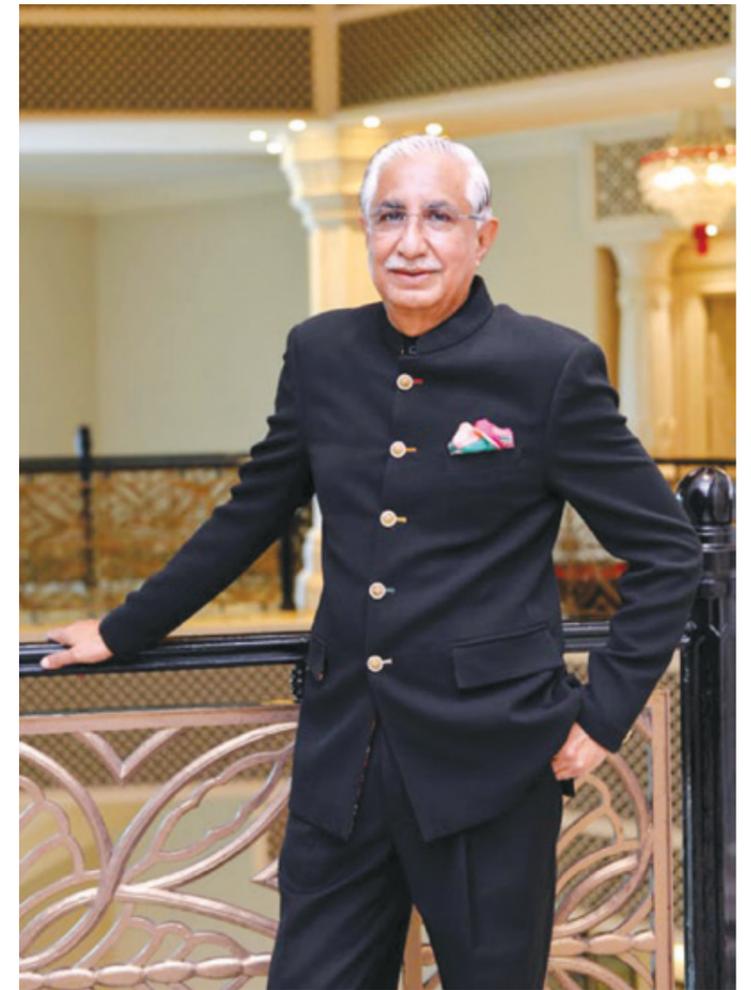
make PPP the foundation of development. We hope that the industry which provides so much of employment and propels inclusive growth, which comprises about 80% small and medium enterprises, which played such a key humanitarian role during the pandemic, will be spared the "elitist" tag. Our wish list is very short and clear.

Infrastructure status and industry status are totally logical, eminently justified and essential for meeting the goal of 100 million foreign tourist arrivals (FTAs) and \$1 trillion tourism economy.

### Nakul Anand

Former Executive Director, ITC Limited

**H**ealth is the new wealth. People now opt for a health span over a life-span. Not only wanting to live longer, but they want to make the years count longer. 9 to 12% of total greenhouse gas emissions come from our industry. We need to bring this down to be in line with the Paris Convention.



### Rohit Khosla

Executive Vice President (Operations), IHCL

**T**he programme has been curated with the objective of bringing key decision makers in the hospitality sector together on a single platform to debate lessons learnt, assess future problems and opportunities, and determine a progressive growth path for the industry. The year has started well mostly on account of events and we are really excited to discuss and grow together.



## Vikram Oberoi

MD & CEO, EIH Limited

I think sustainability is something that we will need to pay greater attention to. We are looking increasingly towards renewable sources of energy, whether that's solar or wind. In Gurgaon, our two hotels are 100% solar, in Udaipur, the Trident is about 70% solar. Our endeavour is to continue this trend. I hope state governments introduce legislation that encourages private enterprise to engage and adopt renewable energy. It's important for our guests, it's important for our colleagues, and it's important for our planet.

## Sanjay Sethi

Managing Director & CEO, Chalet Hotels Limited

There's been a tectonic change in the mindset of people on the wellness side, and priorities have changed. Taking care of yourself, living a better life and living in the 'now' have become critical. Wellness is clearly going to be the big-ticket item in terms of priorities. We also need to focus on inbound foreign business travellers. I think my one-point agenda would be to urge the increase in inbound flight seats for long-haul flights. That will make a tremendous difference to our hotels and inbound tourists.



## Jyotsna Suri

CMD, Bharat Hotels Limited

We need to be cognizant of how we conserve our cash and how we are prepared for any liability that came to all of us, during the pandemic. We are very keen to adopt as much solar energy as we can. Minimize wastage is one of our core values. We take pride in conserving water and of course recycling our water, wastage is not acceptable at all. I think India could really benefit if we were able to give free visas to some countries, particularly from where we have potential of foreign tourist arrivals.



## Ajay Bakaya

Managing Director, Sarovar Hotels Private Limited

We still don't have people queuing up on the doors to come and work for us. Hotel schools are having a challenging time. However, a lot of students in India go halfway through school. A few million people in India don't even know that our jobs exist! We can tap these students to get over the employment hurdle.



## Patu Keswani

Chairman & Managing Director, Lemon Tree Hotels Limited

The world of technology moves fast and we keep hearing about advancements in various fields. There could also be mass personalization at scale using the data lake, we need to be on top of this change.

## Rajesh Magow

Co-Founder & CEO, Make My Trip/GO IBIBO

Sometime back, the way backend had the technology, it was not optimal at all... every day, it was a brick and mortar sort of thought process. And I see now, we have come a long way. If I look at travel holistically, all sectors, including airlines, are now accelerating the pace of technology adoption.



## “Ease of doing biz is helping Odisha”

*Dr JK Mohanty, Managing Director, Swosti Hotels, speaks about the vast potential of the state.*

**O**disha is a state with huge tourism appeal. Earlier the state government was not focusing on tourism, but since 2017, there has been a very dramatic change in the outlook of the government for the tourism sector. Various types of incentives are being offered. One is the single-window clearance. Once a hotel project in the state is approved by the single-window clearance, which is chaired by the chief secretary with all other secretaries on board, all the departments related to that industry roll out the approvals. So, a promoter does not have to run to different departments to get clearances, it is just one online application, called Go Swift.

For example, all government clearances related to the tourism industry are received in a span of 30 days. Additionally, hotels as well as the cruises enjoy a capital investment subsidy of 35% from the state government. Unfortunately, the subsidy is given three years post commercial production whereas the need is to get the subsidy right at the start. This is pending.

Apart from this, there are stamp duty exemptions. The smaller hotels are not getting that and the Hotel Association has been taking that up.

The other thing the Odisha government is promoting is eco-tourism. In the past three-four years, a lot of places in the forest areas have been identified for tourism purposes and the government is putting up eco-tourist lodges, and these are doing extremely well with high-end customers.



Similarly, anyone putting up caravans for tourism and tourist places will get capital investment subsidy. This has attracted a lot of investments and major hotel chains in India like the Taj group have shown interest.

Odisha has lovely beaches, temples, mountains, forests, wildlife, the local dances, culture, handloom sarees, silver filigree works, stone carving, and many more offerings. I have been working with the state tourism department to promote Odisha as a long-stay destination. Most of the tourists who stay in our hotels, in Bhubaneswar, Gopalpur and other places, are interested in knowing the local culture. We need another 5,000 hotel rooms here. So I think the tourism potential is immense in Odisha.

## “Assam is an investment-friendly state”

*Kumar Padmapani Bora, Secretary, Govt of Assam and Managing Director, Assam Tourism Development Corporation, says the single-window clearance system in Assam has added to the ease of doing biz.*

**T**he Government of Assam is pursuing the tourism sector aggressively. In the last two-and-a-half years under the leadership of our chief minister, we are very aggressively pursuing to bring investment in the state.

Assam launched new tourism policies in November 2022, and we have provision for both private investments, and also public private partnerships (PPP). The government has granted industry status to tourism, which covers around 12 sectors and include hotels, 3-star and above, bungalows, heritage hotels, eco hotels and ecotourism projects, wellness, hospitality, amusement parks, and tour operator services.

Whether someone wants to invest in a restaurant, hotel or a café, they can be covered under this policy.

We also have a single-window clearance system in Assam. We are in talks with IHCL for a project



in Kaziranga. All the big chains, the Hyatt group, Hilton and Vivanta have shown interest in the state.

An important consideration is of law and order. In the last two years, you can see that there have been no protests in Assam, no agitations. So, it's completely peaceful, and that I think, has a tremendous impact on investors.



### Achin Khanna

**Managing Partner-Strategic Advisory, Hotelivate**

**E**xperiential tourism has become a buzzword. People are not just looking at great products and great service anymore. They are looking for unique experiences.

If there was ever a time in the history of our industry, when leisure was shining, it's now, whether it's established destinations, weekend getaways, undiscovered locations, leisure is finding its feet in India quite nicely.



## Rajan Bahadur

Chief Executive Officer, Tourism and Hospitality Skill Council

**W**e operate about 600 training centres across the country, plus another hundred colleges and universities. At the middle and the lower end of the pyramid, kids get mobilized locally. Unfortunately, they have a glorified image of a five-star hotel job, what they've seen in popular mainstream cinema, Bollywood.

What we are trying to do is a hub-and-spoke model, where we have a centre closer to where these kids are and get them recruited or mobilized. We check them for their aptitude and attitude. Once we are clear about that, we start training them. That's one part of it.

Second part is that after Covid-19, a lot of skilling is being updated regularly, like digitization, new hygiene protocols, and so on. So constant training is needed.

The third part is that the children of a lot of domestic household help may be educated only till class 8th, or may be school dropouts. Can we do something about them? With proper counseling and training, they could get good jobs in chains like KFC. We started a pilot project about a year ago with 30 students when Marriott Rishikesh was coming up. We mobilized the young workforce locally. We skilled them in various short-term roles, and after they had been certified, we got Marriott to again come back and Interview them.

## Dilip Puri

Founder and Executive Chairman, Indian School of Hospitality

**W**e have students coming back after their internship, and many of them submit their reluctance to go back to the industry. We need better engagement with hospitality companies to make the jobs attractive. IHCL and ITC have taken some great initiatives, whether it is a weekend-break offering, or welcoming women to join back after they have taken a break from careers for family duties. These are all wonderful steps. The challenge is that we are not able to collectively demonstrate this in terms of changing the perception of the young students.



## Natwar Nagar

Founder and CEO, The People Network and The Job Plus

**T**he options for employees have increased tremendously. They want to take better and more informed decisions. They want work-life balance, and better compensation. The industry will need to fill 53 million jobs in the next seven years. I don't think we have that many people to be trained. The industry has to come together to find innovative ways of getting employees to stick to their jobs.

There is this gray-collar workforce, that's young, uneducated, unskilled and unemployed. We have joined hands with the Tourism Skill Council of India to skill, to educate them and improve their employability. We placed 1,200 such students last year, and among these 700 are women. We aim to train about 5,000 students by next year.



## Sanjay Bose

Executive Vice-President HR & L&D, ITC Hotels

**T**he need for talent is as high as ever. About 60% of the students who pass out of hotel management schools don't join hotel jobs. Of this, only 30% remain in hotels three years down the line. Why is that so? Two things, there are better career opportunities outside for the same kind of talent, and for the same kind of aptitude, they get paid better, and rise faster. These are the basic reasons why we are losing talent.

There are a few innovative programs started by some hotel companies. For instance, Hilton has gone to the bottom of the pyramid and started focusing on apprenticeship programs, building talent from the bottom of the pyramid. Hyatt has a "rise high" program that skills children who have dropped out of formal education. Marriott is using a lot of informal channels like networks and tie-ups.

Oberoi is also putting a lot of focus on part-time workers and their training. At ITC too, gig workers are encouraged, and that's how we can leverage the workforce.

## Harmeet Singh Bedi

Senior Director, Hotels & Hospitality, India, Jones Lang LaSalle Inc (JLL)

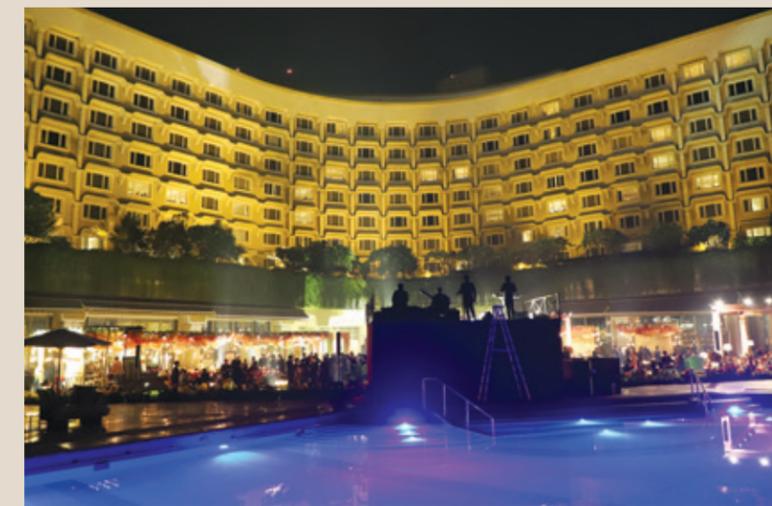
**O**n ports, the government's vision for Sagar Mala project across 12 major ports and a vision to add six more will enhance activity related to the ports and surrounding areas, which will in turn lead to the development of more hotels.

What's interesting is that of the investment sales that took place last year, 26% of the transaction volume was for brownfield hotel assets, those hotel assets that were under construction and needed capital for development. Some of these were through the NCLT process also under the IBC rules.



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## Close Look

# Interim Budget 2024-25: Boosting tourism with focused campaigns

Strategic initiatives will elevate tourism potential to its fullest, positioning it as a vital driver of economic growth.

**T**he interim Budget for the fiscal 2024-25 has allocated Rs 2,449.62 crore to the tourism sector, marking a significant increase of 44.7 percent over the previous fiscal. This budgetary allocation primarily focuses on two key areas: establishment expenditure of the centre and central sector schemes.

In Budget 2024-25, the establishment expenditure of the Centre has been allocated Rs 100.28 crore, reflecting a rise from Rs 92.83 crore in the previous fiscal year. Moreover, under central sector schemes, the allocation for tourism infrastructure has surged to Rs 2,080.03 crore from Rs 1,294 crore last year.

While the government aims to promote domestic tourism, efforts to attract foreign tourists to India are yet to gain momentum. Notably, the allocation for overseas promotion of 'Incredible India' in the interim budget stands at a mere Rs 3 crore. Nevertheless, effective utilization of these funds holds the potential to yield significant results. Here are some strategies that may be employed:

**Targeted marketing campaigns:** Focus on specific markets with high potential for tourism growth to maximize impact.

**Digital marketing:** Use of social media and OTT platforms to showcase India's diverse culture, heritage, and tourist destinations. Collaborate with influencers to amplify reach.

**Partnerships and collaborations:** Work with airlines, travel agencies, and online platforms to promote tourism packages to India.

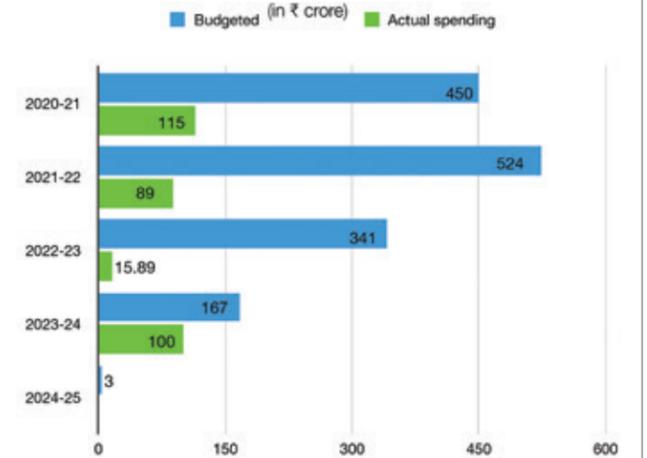
**Participation in travel fairs and exhibitions:** Showcase tourism offerings at international events to reach a global audience.

**Public Relations and media outreach:** Build relationships with international media outlets to showcase India as a tourist destination.

## ₹ 3 cr for overseas promotion

The Interim Budget 2024 boosts tourism but the allocation for overseas promotion and publicity, including market development assistance, has been reduced to Rs 3 crore from Rs 100 crore in the previous budget. Allocating Re 3 crore for the overseas promotion of India's 'Incredible India' campaign might seem modest at first glance, but effective use of these funds can still yield significant results. The budget may be used in a structured manner i.e. through strategic planning, targeted initiatives, and efficient use of resources which can make a significant impact in promoting India as an incredible destination on the global stage.

### Centre's spending on "Incredible India" overseas promotion



Source: Budget documents

**Cultural events and festivals:** Organise or sponsor events overseas to raise awareness of Indian culture and heritage.

**Community engagement:** Engage with the Indian diaspora and cultural organisations globally to leverage their networks in promoting tourism.

**Measuring impact and adjusting strategy:** Monitor campaign effectiveness and adjust strategies accordingly to ensure optimal ROI.

By implementing these measures, India can enhance its tourism sector and attract a greater number of visitors from around the world. **HAI**

# LAKSHADWEEP: A PARADISE BECKONS

With all eyes on the idyllic Indian archipelago, we present some of the highlights of this destination.

BY RIAAN JACOB GEORGE

● Destination



Nestled in the heart of the Arabian Sea, on the southwestern coast of India, lie the breathtaking islands of Lakshadweep. Lakshadweep (also known as Laccadive to some) meaning “a hundred thousand islands” in Sanskrit - a picturesque and pristine archipelago, spread over 32.62 km<sup>2</sup>. It comprises 36 islands, surprisingly with only 10 of them inhabited, and is renowned for its natural coral reefs, turquoise lagoons, and immaculate, white, sandy beaches. In recent times, Lakshadweep has become all the rage after Prime Minister Narendra Modi’s highly Instagrammed and publicised visit to the islands, and strong messaging encouraging the development of tourism in the region, urging more Indians to invest in and travel to Lakshadweep. Hence, a lot of interest has been generated by investors, hoteliers and travellers. According to a report by MakeMyTrip, there was a 3,400% increase in searches for Lakshadweep in the wake of the Prime Minister’s visit. In January 2023, Tata Group’s hospitality vertical IHCL announced two Taj-branded properties in



**Agatti Island is a popular starting point, known for its stunning beaches with powdery white sands and turquoise waters ideal for swimming and snorkelling. For those seeking tranquility, Kadmat Island is a hidden gem**

Lakshadweep, which are said to be opening in 2026.

Lakshadweep is an untouched paradise that beckons travellers seeking seclusion and natural beauty, that can only be found in the Indian Ocean. It’s a must-visit for adventure enthusiasts, offering innumerable, exciting opportunities for snorkelling, scuba diving, and glass-bottom boat rides. What better way to explore the vibrant underwater world?

Over the years, the islands of Bangaram and Kadmat have gained popularity among diving enthusiasts for their rich marine biodiversity.

Among the inhabited islands, Kavaratti functions as the capital, while tourists enter the islands through Agatti. The predominantly Muslim population of these islands, sustain themselves through fishing, coconut cultivation, and on tourism, of course.

The region, incidentally, comes under the jurisdiction of the Kerala High Court! Lakshadweep’s diverse cultural heritage is influenced by South Indian, Maldivian, and Arabian traditions, apparent through their cultural performances, cuisine, and handicraft markets.



## LAKSHADWEEP ACTIVITIES

### Beach Hopping

Each island offers its own unique charm and attractions. Agatti Island is a popular starting point, known for its stunning beaches with powdery white sands and turquoise waters ideal for swimming and snorkelling. For those seeking tranquillity, Kadmat Island is a hidden gem, with secluded shores perfect for quiet walks and relaxation. Bangaram Island is famed for its vibrant coral reefs, making it a haven for diving enthusiasts. Rates for beach activities and accommodations vary depending on the island and the season. Typically, starting rates for accommodations range from ₹5,000 to ₹10,000 per night for budget-friendly options, while luxury resorts can cost upwards of ₹20,000 per night. Activities such as snorkelling, diving, and boat tours can be arranged through local operators, with prices starting from around ₹1,500 per person for guided excursions.



### Water Activities

Dive into the vibrant underwater world of Lakshadweep with snorkelling and diving excursions. Explore colourful coral reefs teeming with tropical fish, rays, and turtles. Some of the best snorkelling spots include the shallow coral gardens near Bangaram Island and the coral reefs surrounding Kadmat Island. Responsible snorkelling and diving practices, such as respecting marine life and corals, are emphasized to preserve the fragile ecosystems. The dry season, from October to May, offers the best conditions for snorkelling and diving.

**Lakshadweep is a must-visit for adventure enthusiasts, offering innumerable, exciting opportunities for snorkelling, scuba diving, and glass-bottom boat rides**



### Local Cuisine

The culinary scene in Lakshadweep is as rich and vibrant as its natural beauty. Seafood takes centre stage in many dishes, with locally caught fish being a staple ingredient. Signature dishes like Tuna Biryani featuring plump prawns simmered in a creamy coconut-based sauce, infused with a blend of spices, showcase the region's love for seafood. Coconut, a ubiquitous ingredient in Lakshadweep, adds a unique flavour and texture to many dishes. Coconut Ladoo offers a sweet treat, complementing savoury dishes like Thalassery Biryani, a fragrant rice dish layered with tender meat and aromatic spices, with its inspiration in Kerala.





### Traditional Activities

Join local fishermen on a fishing expedition, learn the art of weaving coconut palm leaves, or try your hand at traditional games like thakara, a popular board game played by islanders.

### Sunset Cruises

End your day in paradise with a romantic sunset cruise around the islands. Sail into the horizon aboard a traditional dhoni, a wooden boat, and watch as the sky turns bright with shades of orange and pink when the sun goes down. It's a magical experience you won't soon forget. Interesting to note that Cordelia Cruises has already been offering luxury cruise services to Lakshadweep from Mumbai, Goa and Kochi and the company claims to have received a massive influx of tourists inquiring about their packages.

### A hub for responsible tourism

Given the spectacular biodiversity of this archipelago, Lakshadweep has a fragile ecosystem that must be protected. Conversations around sustainable tourism development are vital. For instance, all around Lakshadweep there are live coral forests, and just like land forests, they must be protected.

**Rakesh Mathur**, founding member and honorary president of Responsible Tourism Society of India (RTSOI) says, "In Lakshadweep, the corals are live, so essentially it is like any forest area. Just like we have stringent laws for what we can and cannot do in a forest, similarly we need to do this for corals too, before embarking upon a rapid tourism development plan." He proposes sea bungalows to be built strategically avoiding the coral-first areas. "It is also important that tourism development should not impact in any way the life of the local community." Tourism in Lakshadweep should work hand in hand with local communities to engage and protect them.

Given the fragile and remote nature of the islands, hospitality investors must work closely with conservationists and environmentalists to ensure that all local interests are protected. It remains to be seen how Lakshadweep will become the next big thing on the Indian tourism scene and the demographic of tourists it will attract. Could this be the next Maldives? Time will tell. **HAI**



# TOURISM "a Strange Beast"?

India's economic growth is projected to be robust with expectation of becoming the third largest GDP in the world by 2047. Rise in income levels will create huge boom in tourism, which in turn will drive inclusive growth. But whether that happens, or how that happens, will depend on how tourism is nurtured as an engine of growth.

**By MP BEZBARUAH**  
Secretary General, Hotel Association of India



**W**orld Tourism Day 2015 was celebrated around the theme 'One Billion Tourists; One Billion Opportunities' highlighting the transformative potential of tourism. With more than one billion tourists travelling to an international destination every year, tourism had become a leading economic sector, contributing 9.8% of global GDP and representing 7% of the world's total exports. Covid-19 temporarily halted that progress, but it is again back on track and it is time to drive home the immense potential of the sector in igniting sustainable, inclusive growth.

Ever since WTO—now UNWTO—started keeping statistics of tourism arrivals and contributions some 60 years back, tourism has always outpaced global economic growth. By 2019, tourism had become the third largest export category. There are innumerable empirical studies on tourism's contribution to economic growth. A recent one published online, on September 2022, in PubMedCentral (PMC), concludes on the basis of data collected over 18 years, from 2003 to 2020, from 105 countries that tourism has the ability to boost economic growth in all regions.

The IMF World Economic Outlook (WEO) report of 2022 is even more heart-warming. The WEO report analyses economic growth in every global region, connecting performance with key sectors, including tourism. Notably, those economies with "large travel and tourism

**Mexico's experience in tourism brings out one fundamental realization so relevant for present-day India too - that if tourism largely uncared for and generally unsupported, can contribute so much, what can it not do with a little bit of caring and support?**

sectors" show strong economic resilience and robust levels of economic activity. More specifically, countries where tourism represents a high percentage of GDP have recorded faster recovery from the impacts of the pandemic in comparison to economies where tourism is not a significant sector. As the report Foreword notes: "Strong demand for services has supported service-oriented economies."

The aggregate figures and macro-economic dimensions give a flavour of the importance of tourism, but extent of the transformative role of tourism remains generally unseen.

Towards the end of the last century, the Ministry of Tourism had organised, a series of lectures by eminent persons, policy makers and tourism experts as part of the National Tourism Day celebrations. In the first lecture in 1998, Mr Antonio Savignac, former Secretary General of UNWTO and former Planning and Finance Minister of Mexico beautifully related Mexico's search for a model of economic growth and how tourism invariably came up as an inescapable option for a strategy for economic development. He said: "The story begins in the mid-60s.... The aim of the government was to achieve a 6 per cent average annual real rate of growth of the Gross Domestic Product (GDP). The problem: the 6 per cent growth meant an increase in production; increase in production meant increase in imports...increase in imports meant obtaining more foreign currency, to pay for increased imports.... The search: an exhaustive on-going analysis was made of all types of goods and services that could be exported: agriculture, fisheries, mining, manufactured and semi-manufactured goods, etc. All types of assumptions, combinations and projections were run through..."

Mexico found that one of the curious activities that continually kept appearing was the case of tourism which had been growing consistently and successfully without any planning or support from government.

**Countries where tourism represents a high percentage of GDP have recorded faster recovery from the impacts of the pandemic in comparison to economies where tourism is not a significant sector**

“A strange beast” he said, “that seemed to grow like a weed, with no fertilizer, irrigation, care or attention... We were amazed,” he continued to find this hidden and, to us, unknown jewel”.

Mexico’s experience in tourism brings out one fundamental realization so relevant for present-day India too—that if tourism largely uncared for and generally unsupported, can contribute so much, what can it not do with a little bit of caring and support?

It will be pertinent to recount in simple language some things tourism can do which are unique to tourism and that make tourism an incredibly agile and flexible tool for economic and social development.

- Tourism as an export product has the unique quality of being consumed at the point of production. Traditionally products, be they industrial or agricultural, consumer goods or others, regardless of where they are produced, must be shipped and delivered for their use or consumption where the purchaser or client resides.
- Tourism in this respect is unique because the consumer must displace himself along with his money, to his destination for any of the myriad tourism products.
- Tourism, given its enormous variety of segments, for all tastes and budgets, can truly be developed almost anywhere there is something of interest to do or enjoy. It could be developed and promoted almost anywhere.
- It was labour-intensive and, being a personal service, it’s hard to automate or replace. It can create supplementary income in the rural areas and is particularly suitable for employment of women.
- Tourism has a very high multiplier effect on other economic activities providing jobs and income. The supply chain sustaining tourism activities is long and diverse. Therefore, income and employment creation are extensive.

There are many empirical studies to corroborate the actual impact of tourism. A Survey by the Ministry of Tourism some time back says “about 96% of the total income of artisan household in Kerala and 90% in Rajasthan comes from tourism related income. The study also indicates that tourism plays a vital role in enhancing the standard of living of the artisan families... As regards Folk Artists, their average per capita income during the peak season is nearly four times that in the lean season. Share of female employment is the highest in the lower income segment of the artisan households.”

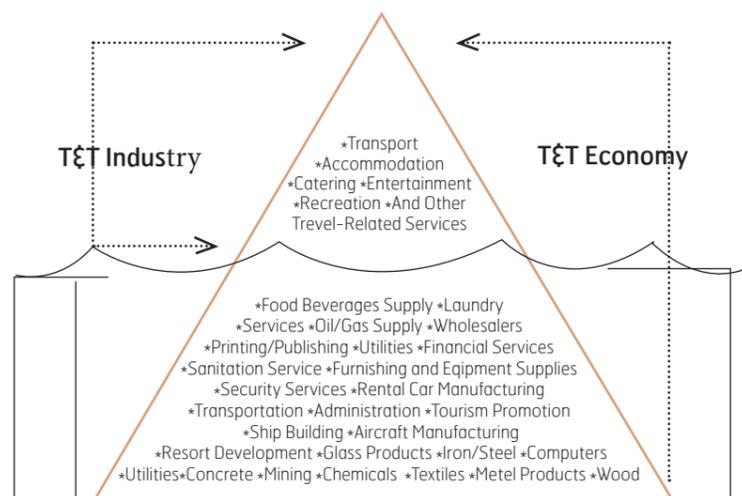
Another old study by the Ministry of Tourism brings out the direct employment generation of tourism.

**For every million rupees invested in 1985-86 prices, employment generation was as follows:**

Sector	Jobs
Agriculture	44.7
Manufacturing	12.6
Mining and Quarrying	2.6
Railways	0.9
Other transport	13.8
Tourism	47.5
(Hotel & Restaurant)	89.0

Tourism and hospitality stand out in this survey. It is almost certain that any new survey will confirm the basis of these two surveys even more strongly and perhaps the contributions will be even bigger.

Unfortunately, the “ripple effect” of tourism through the economy is not visible and the accounting systems cannot fully capture them. Therefore, the real contribution of tourism remains generally underestimated. Tourism can truly be compared with an iceberg as its tip only can be seen. World Travel and Tourism Council (WTTC) had identified about thirty activities to be at the core of tourism business of which only seven are commonly seen as shown below:



If properly nurtured there are exciting possibilities of tourism playing a pivotal role in India’s 2047 Vision. When UNWTO had projected 1.6 billion international tourist arrivals by 2020—which was achieved two years before the projected date—only 7 per cent of the potential travellers were actually travelling. If the global economy picks up the thread, the number will grow in quick progression. India’s economic growth is projected to be robust with expectation of becoming the third largest GDP in the world by 2047. Rise in income level of a larger section of people will create huge boom in tourism. This in turn is expected to drive inclusive growth. But whether that happens or how that happens will depend on how tourism is nurtured as an engine of growth. **HAI**



# We celebrate women

across the Coca-Cola system, from associates to entrepreneurs in our value chain.

Coca-Cola India announces **#SheTheDifference**, a campaign applauding the women who empower our communities.

Meet **P. Regina**, a **62-year-old entrepreneur** leading Self-Help Group-Vahin.

It consists of 12 women who **craft plant-based products** like watermelon seed spices, beetroot honey, amla candy and more.



Defying norms, P. Regina emerged as a force resilience for her community members in the **Theni, Tamil Nadu**.

“KVK and Anandana - The Coca-Cola India Foundation has provided us a platform that broadened the scope of our products, helping us reach a wider array of customers,” she says.

Her entrepreneurial brilliance was recently celebrated with the ‘**Best Women Entrepreneurs Award**’ from **Hon. State Governor RN Ravi**, highlighting the impact she has had on her community.



Follow **The Coca-Cola Company on LinkedIn** for more inspiring stories of women who are making a difference!